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FY-2008 Budget

I'm pleased to be back in Idaho this week and pleased to report on some of the activities in Washington, most notably, the Fiscal Year 2008 budget that the president has just submitted to Congress. And, [I'm] especially pleased to report that it is a budget that includes a \$250 million increase over the budget that the president submitted last year to Congress. That's a 38 percent increase, and as the overall nuclear energy budget goes up, so does the potential for the funding [that] will be coming here to Idaho [to] go up.

Obviously, there is work to be done because when the president sends the budget to Congress, that's a proposal, and Congress has to pass it and so we've got our work cut out for us in order to make this program a reality. But, what it does say is that it shows the commitment that this administration is making to the future of nuclear energy in the United States.

Nuclear energy is essential for this country if we are to meet the growing needs for electricity in a way that produces a minimum of greenhouse gases. So I am pleased to report that we are making progress; that the administration is solidly behind us. We anticipate that the Congress will support this budget request, and I'm just here to answer your questions as to what's going on here in Idaho and anything else I might be able to share with you.

Do you see a softening in the attitude toward nuclear power?

Well, I think nuclear power is being given a second look by many of these people, because if you have an alternative and you're not normally disposed to supporting nuclear power, perhaps you can just go down that alternative path. But there is not a realistic alternative to nuclear energy from the standpoint of a non-emitting energy source.

If you look at where we get our electrical power today, about 50 percent is produced by coal. About 20 percent is produced by nuclear. About 20 percent is produced by natural gas. About, a little less than 10 percent is produced by hydropower, and something less than 2 percent is from



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renewable sources, whether it be solar or geothermal or wind power. So, if you then look at our projections for energy demand in the next 25 years, they are projected to increase by 50 percent.

If we have to provide 50 percent more electric power, we have to ask, "Can coal produce 50 percent more electric power?" Well, perhaps yes. But if it's going to be done in a way that does not emit greenhouse gases, we're talking about carbon sequestration, and that's difficult, so the question is that's a challenge for coal. Can gas produce 50 percent more? Well, we're already an importer of natural gas. And so, if we try to do 50 percent more for electric power generation, that's going to perhaps put a squeeze on what we do for our own home heating oil and industrial needs. You look at hydropower. Well, it's really hard to increase hydropower by 50 percent because we're using just about all the hydropower that is readily available in the United States now.

So, that leaves nuclear and renewables. And, so can we double the amount of wind? Can we triple it, can we quadruple it? Well, perhaps yes. But that still means how much is that really producing in terms of the overall percentage? So it goes from 1 percent to 2 percent to 3 percent, to 4 percent, maybe to 5 percent. That still leaves a big gap that needs to be filled by nuclear power.

And can nuclear power do it? Well, we look at other examples of how much nuclear power has been put in place in short periods in time. France put 55 nuclear plants online in 15 years. Can we do it here? I think so.

Is there enough uranium?

Yes, we do have uranium. Yes, in the long term, we need to use our uranium resources more efficiently. You know, just like we recycle our newspapers and our cans and our bottles and even our old used car bodies when they are finished with their useful life, and we recycle them in order to conserve resources and we recycle them in order to reduce the amount of space that they would take up if they were discarded as waste. So can we recycle nuclear fuel.

There is a lot of energy left in the nuclear fuel that we use in a nuclear reactor. And, we can recycle that fuel to reclaim more energy and at the same time reduce the amount of waste that needs to be disposed of in a repository. And, that is one of the basic objectives of the Global Nuclear Energy Partnership.

What is Idaho's role in the future of nuclear power?

Idaho's role in the future with nuclear energy is tied directly to the Office of Nuclear Energy. The Idaho National Laboratory is our lead nuclear laboratory. So, what's that old saying, so goes nuclear energy, so goes the nation; maybe I could say so goes nuclear energy, so goes Idaho's nuclear programs. They will share in that increase. This is 2008, which doesn't start for a while, so there's no precise allocation of those funds between sites, at this point. But it is fair to say Idaho's going to receive a good share of that increase.



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What's been the most challenging aspect of GNEP?

GNEP is a very complex program because what it stands for is Global Nuclear Energy Partnership. So, it really is a global undertaking, which means one has to have discussions with, make agreements with, get concurrence with a variety of nations around the world to make this happen.

But, it is important that we do that because the development of nuclear energy on an international scale cannot be just a U.S. activity. It needs to be something that is harmonized among the other nations of the world so that we can develop nuclear energy in a way that is not only safe, but is proliferation-resistant and that adequately handles not only U.S. but the international nuclear waste issue.

So, it's a matter of really bringing together a large group of nations. And, anytime you deal with nations, you're dealing with something that does take time, it does take a lot of effort, and it does take a lot of cooperation. And that's what we're all about – it's cooperation. This is not the U.S. dictating what's going to happen. This is the U.S. working with other nations of the world to do what is the right thing for energy development.

